

**ORIGINAL**

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
H. W. ADAMS MANAGEMENT CO., INC., a  
corporation, to acquire control of  
CLINGERMAN TRUCKING INC., a  
corporation, through acquisition of  
stock from LARRY J. CLINGERMAN.

Application 84-04-088  
(Filed April 18, 1984)

O P I N I O N

Applicants H. W. Adams Management Co., Inc. (HWA), a California corporation, and Larry J. Clingerman (Clingerman), an individual, request authority for HWA to acquire control of Clingerman Trucking Inc. (CTI), a California corporation, through the purchase of all of the issued and outstanding stock of CTI from Clingerman. Notice of the filing of application appeared in the Commission's Daily Transportation Calendar of April 24, 1984. No protests to the application have been received.

CTI possesses a highway common carrier certificate issued under Public Utilities (PU) Code § 1063.5 as well as a highway contract carrier permit, agricultural carrier permit, and a heavy-specialized carrier permit under File T-120,649. It operates 6 trucks and 6 trailers. For the year ended September 30, 1983 CTI had gross revenue from operations of \$569,400 and a net loss of \$27,381. As of that date CTI had a net worth of \$74,278. All of the issued and outstanding capital stock of CTI, 6,680 shares, is owned by Clingerman. Clingerman desires to retire from the motor carrier transportation business. His age and health no longer allow him to actively participate in that business or in the management of that business.

HWA is a newly formed corporation which has, as yet, transacted very little business. HWA's two principals, a husband and wife, have a net worth as of January 31, 1984 in excess of \$100,000. The husband has had more than 10 years business experience in the for-hire trucking business in Utah. During the past several months he has been employed by CTI as general manager and therefore is familiar with those operations.

Purchase price for the stock is \$400,000 to be secured by a 12% promissory note payable in 120 equal installments and a pledge of the involved stock. The note is guaranteed by the two principals of HWA.

Applicants state there will be no change in the motor carrier operations of CTI or any change in the services offered by it to the public after control is transferred to HWA.

Findings of Fact

1. CTI possesses a highway common carrier certificate and various highway carrier permits issued by the Commission.
2. CTI operates 6 trucks and 6 trailers. For the year ended September 30, 1983 CTI had gross revenue from operations of \$569,400 and, as of that date, had a net worth of \$74,278.
3. Clingerman, the sole stockholder of CTI, wishes to retire from the business and has entered into an agreement to sell his stock to HWA.
4. HWA is a newly formed corporation, one of whose principals has had extensive experience in the trucking business and has been employed by CTI for the past several months as its general manager.
5. Clingerman has agreed to sell and HWA to buy all of the issued and outstanding stock owned by Clingerman for a total purchase price of \$400,000.

6. The purchase price of the stocks is to be secured by a 12% promissory note payable in 120 equal installments and a pledge of the involved stock, with the note being guaranteed by the two principals of HWA.

7. The proposed transaction is not adverse to the public interest.

8. A hearing is not necessary.

9. There being no protests to the application this decision will be made effective today.

Conclusion of Law

The application should be granted.

Only the amount paid to the State for operative rights may be used in rate fixing. The State may grant any number of rights and may cancel or modify the monopoly feature of these rights at any time.

O R D E R

IT IS ORDERED that:

1. H. W. Adams Management Co. Inc, a California corporation, may acquire control of Clingerman Trucking Inc., a California corporation, as provided in the application.

2. Written notice of the consummation of the control transaction authorized shall be filed with the Commission within 10 days after its completion.

3. The application is granted as set forth above.

This order is effective today.

Dated JUL 5 1984, at San Francisco, California.

LEONARD M. GRIMES, JR.  
President

VICTOR CALVO

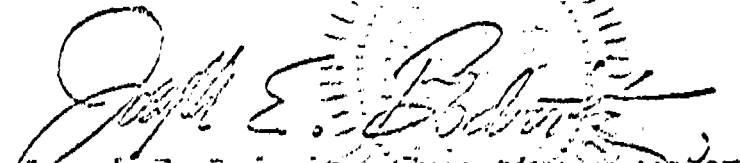
PRISCILLA C. CREW

DONALD VIAL

WILLIAM T. BAGLEY

Commissioners

I CERTIFY THAT THIS DECISION  
WAS APPROVED BY THE ABOVE  
COMMISSIONERS TODAY.

  
Joseph E. Bodovitz, Executive Director